

STATE OF INDIANA) IN THE MARION SUPERIOR COURT
) SS:
COUNTY OF MARION) CAUSE NO. 49D04-0210-PL-001784

STATE OF INDIANA,

Plaintiff,

v.

PHOENIX USA, INC.,
d/b/a TWIN DYNASTY

Defendant.

FILED

JUL 22 2003

Debra Ann Snodgrass
CLERK OF THE
MARION CIRCUIT COURT

CONSENT JUDGMENT

The State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Eric Jackson, having filed its Complaint for Injunction and Damages, and the Defendant, Phoenix USA Inc., by its agent, hereby enter into this Consent Judgment without trial and adjudication of any issue of fact or law.

Now, therefore, by consent and agreement of parties, it is **ORDERED, ADJUDGED, and DECREED** as follows:

1. The parties to this Consent Judgment have read and understand the nature, terms, and contents of this Consent Judgment and agree to be bound by all the provisions contained herein.
2. The Attorney General is authorized to bring this action to enforce the provisions of Indiana's Business Opportunity Transactions Act, Indiana Code § 24-5-8-1 *et seq.*
3. The parties agree that this Consent Judgment constitutes a full and complete settlement as to all issues.
4. The Defendant agrees to assist the Indiana Office of Attorney General in its claim against Twin Dynasty by providing any information the may have relating to Twin Dynasty upon a written request by the Indiana Office of Attorney General.

INJUNCTIVE RELIEF

5. Pursuant to Indiana Code § 24-5-0.5-4(c)(1) and § 24-5-8-18, the Defendant, Phoenix USA Inc., its agents, representatives, employees, successors and assigns are permanently enjoined from engaging in the following:

a. in the course of entering a business opportunity contract, failing to provide Indiana investors with the disclosures required by Ind. Code §24-5-8-2 at least seventy-two (72) hours before the earlier of the investors' execution of a business opportunity contract with the Defendant or the receipt of any consideration by the Defendant;

b failing to obtain a surety bond in the amount of at least twenty (20) times the initial payment required for the business opportunity, but not less than seventy-five thousand dollars (\$75,000.00), in favor of the State of Indiana for the use and benefit of Indiana investors prior to offering to sell its business opportunity to Indiana investors;

c. failing to file a copy of the disclosure statement and surety bond and to pay the filing fee of fifty dollars (\$50.00) required by Indiana law with the Consumer Protection Division of the Office of the Attorney General prior to placing any advertisement or making any representation to any Indiana investor about said business opportunity.

d. in the course of entering business opportunity contracts with Indiana investors, failing to include the all of the terms required by Ind. Code § 24-5-8-6, including but not limited to, a thirty (30) day cancellation provision which grants the investor the right to cancel the contract by mailing notice to the Defendant by midnight of the thirtieth (30th) day after the contract is entered into.

CONSUMER RESTITUTION

6. Pursuant to Ind. Code § 24-5-0.5-4(c)(2) the Defendants shall pay consumer restitution in the amount of Forty-Seven Thousand Dollars (\$47,000.00) to the Indiana Office of Attorney General to be distributed in an amount to be determined by the Indiana Office of Attorney General to consumers who have filed a complaint with the Consumers Protection Division by June 5, 2003.

7. The Defendant shall not dispute the credit card reimbursement or re-charge the following consumer's credit cards:

- a. Inity Morrow
- b. Roger Cornbleet
- c. Ashley Gardner
- d. Remona Rhoades

CONTINUING JURISDICTION

7. The Court shall retain jurisdiction for the purpose of issuing such orders as may be necessary to interpret or enforce the provisions herein.

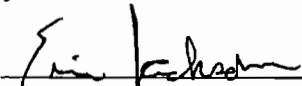
IN WITNESS THEREOF, a representative of Phoenix USA Inc., has signed this document on behalf of the Defendant, its agents, representatives, employees, successors, assigns, and all persons acting or claiming to be acting on its behalf, through any corporate business name or device. Eric Jackson, Deputy Attorney General, has signed this document on behalf of Plaintiff, State of Indiana.

STATE OF INDIANA

STEVE CARTER

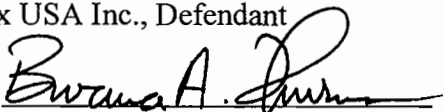
Attorney General of Indiana

Attorney No. 4150-60

By: 
Eric Jackson
Deputy Attorney General
Atty. No. 19415-49

Dated: 6/6/03

Phoenix USA Inc., Defendant

By: 
Name: BWANA A. THURMAN
Title: Vice President

Dated: 6-6-2003

APPROVED, ORDERED, ADJUDGED AND DECREED this 22 day of
July, 2003. 
Judge, Marion Superior Court

Distribution:

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